

ADVERTISING HABIT OF CAR CO. QUIZZED BY COUNCIL

Startling charges that the Chicago Surface Lines has handed out almost \$40,000 of the city's money to the trust press and other advertising agencies were once more brought before the council Monday night. An investigation is now on in earnest.

The most astounding feature disclosed Monday is that the people's money is spent by the car company to put over a new franchise, grabbing the streets for fifty years and quashing public ownership of the street railways.

City Comptroller Pike in a report to the council gave a detailed list of the advertising expenditures of the Chicago Surface Lines for the year ending Jan. 31, 1917, totaling \$66,783.58. This was asked by a council order of Feb. 19, introduced by Ald. Kennedy of the 27th ward.

But more important than the list was a statement that accompanied it in which Pike said that the accounts of the car company were so juggled that the people paid 55 per cent of the bill.

"I beg to advise," began the statement of the city comptroller, "that the bulk of the advertising expenses charged to the Traffic Account is not, in my opinion, a proper charge against Operation, by which the city suffers to the extent of 55 per cent.

"I have always contended that this should be charged to the Non-Partnership Account. In the first place, I don't see where such expenditures increase the revenue of the company or improve service.

"We have not been able to obtain copies of all of the advertising, but, from what we have seen, the purpose seems to be to secure legislation rather than traffic.

"A new deal with the traction lines has been proposed and is now under consideration. The traction companies want terms as favorable to themselves as possible. But by such an advertising campaign the city

pays 55 per cent of the expenses for the companies to present their side of the case."

Later, to a reporter for The Day Book, Mr. Pike said:

"There is no doubt that the street car companies have been charging this money to wrong accounts. They claim that it should be charged against operating expenses for better service. But I don't think the council will see the proposition just that way.

"If the council decided the money was charged against the wrong account the matter could be placed before the board of supervising engineers and I'm sure the city would get a fair settlement out of the company.

"If the contention set forth by me is right, the city is paying over half of the advertising bills of the surface lines and is not getting a bit of advantage out of it.

"One thing looks significant. The traction companies have started advertising only in the past year or so. It is a new thing. I think this might be connected with the fact that they are asking for a new and stronger franchise."

But Ald. Kennedy, who began the move by an accounting from the Surface Lines, had a lot more considerably warmer things to say about the financial habits of the car company.

"The public utilities say they are not mixing in politics this spring," he declared. "Of course, the fact that Ald. Merriam, Buck and Kearns were eliminated just as the car company and gas combine ask for more advantages from the city, can't be counted against these dear, innocent, public utility firms.

"Oh, no. They are out of politics. But if I were directing a street car company like some of our traction experts are, and I were going to ask for special privileges from the people of a city like Chicago, I would certainly want the newspapers with me.